



ITEM ID: 2023-326-0

TRANSMITTAL DATE: October 20, 2023

MEETING DATE: October 27, 2023

TO: Board of Directors

FROM: Lisa Bahr, Chief Customer Experience Officer

SUBJECT: Contract No. SP520-21 - Market Research Services - Exercise Option and Increase Contract Funding Authorization

Issue

The Authority requires a bench of consultants to provide Market Research Services for the timely delivery of customer research and market studies in compliance with federal requirements and to guide marketing and sales efforts.

Recommendation

Executive Committee recommended (5-0) that the Board authorize the Chief Executive Officer to amend Contract No. SP520-21 – Market Research Services to:

1. Exercise the two-year option and extend the period of performance from December 11, 2020 to December 10, 2025; and
2. Increase the contract funding authorization by \$600,000 for a new not-to-exceed amount of \$1,500,000 for all bench contracts combined.
 - o SP520A-21 – Redhill Group
 - o SP520B-21 – Resource Systems Group. Inc.
 - o SP520C-21 – True North Research, Inc.
 - o SP520D-21 - TalkShoppe

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to bring them on board.

The bench of market research consultants will assist the Authority in continuing customer research and market studies to guide marketing and sales efforts.

Background

Consumer market research and data analysis are needed to design and measure the effectiveness of marketing campaigns and fare policy initiatives, and how the consumer is connecting with the brand. This includes research to identify customer needs met and unmet and how the Metrolink brand maps to those. This research may utilize a variety of methods for data collection and analysis to help understand customer behavior and develop strategies to increase ridership.

Discussion

Following a competitive procurement, at the December 11, 2020 meeting, the Board awarded Contract No. SP520-21 to the following market research firms: Redhill Group, Resource Systems Group, Inc. (RSG), True North Research, and Talk Shoppe.

Under this bench contract, the firms have provided the Authority with a variety of research services, including:

- Brand Awareness Research: repeated survey waves measuring awareness of the Metrolink brand and perceptions among the general population within the Metrolink service area.
- Potential Rider Study: research into opinions, attitudes, and perceived barriers among potential Metrolink riders.
- Fare studies: fare policy research that helped support the launch of new fare products, such as the Five- and Ten-Day Flex Passes, the \$15 Summer Day Passes, and fare promotions.
- "The Metrolink Rider Community": the Authority's customer research panel for ongoing customer research.

Under this bench, research services are provided through the Contract Task Order (CTO) process on a per-project basis. Although the Board is requested to approve a not-to-exceed contract authority, the contracts themselves have no funding authorization. Funding is subject to the annual budget approval process, and there is no guaranteed minimum funding for any firm.

The Authority would like to exercise the single two-year option. Staff is also requesting an increase of \$600,000 in contract authority through December 10, 2025.

As an alternative to extending the contracts, the Authority could issue a new Request for Proposal (RFP) to solicit firms to perform these services. This is not recommended due to the time required to complete a new procurement and the resulting impact on research needs. Additionally, it is anticipated that an RFP would not result in cost savings to the Authority.

Budget Impact

The amounts for which contract authority is requested are included in the Adopted Operating Budget for FY2024 (\$326,000). Funding for subsequent years will be requested through the annual budget or an equivalent process. There is no financial commitment with respect to subsequent years and work will be authorized only if funding is approved.

Next Steps

Upon Board approval, staff will execute amendments with Redhill Group, Resource Systems Group, Inc. (RSG), True North Research, and Talk Shoppe to extend the contracts through December 10, 2025.

Prepared by: Henning Eichler, Senior Manager, Market Insights & Analytics
Melissa Cousart, Contract & Compliance Administrator

Approved by: Lisa Bahr, Chief Customer Experience Officer